

## **1.0 Division of Services for People with Disabilities**

### **Summary**

The Division of Services for People with Disabilities (DSPD) is responsible for providing residential, day and support services for people with mental retardation and other developmental disabilities. To receive services, people must have substantial functional limitations in three or more of the following life activities: self care, receptive and expressive language, learning, mobility, self direction, capacity for independent living, and economic self-sufficiency. The services provided range from limited family support to a full array of 24-hour services at the Utah State Developmental Center. DSPD provides its community-based services through four regional offices.

**1.1 Financial Summary**

The Analyst recommends a base budget appropriation for DSPD for FY 2000 in the amount of \$114.4 million, which includes \$36 million from the State General Fund. The majority of the balance is from Medicaid transfers and other federal funds. The recommendation includes \$1,645,200 in additional SSBG (Social Services Block Grant) funds. This involves a transfer from the TANF (Temporary Assistance for Needy Families) block grant to the SSBG.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Financing</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$34,527,500	\$35,810,800	\$35,974,700	\$163,900
Federal Funds	2,409,650	2,136,500	2,035,700	(100,800)
Fed Funds (SSBG Transfer)			1,645,200	1,645,200
Dedicated Credits	1,352,453	1,731,700	1,692,100	(39,600)
Transfers	67,352,350	70,192,200	72,878,100	2,685,900
Beginning Nonlapsing	194,700	95,600		(95,600)
Ending Nonlapsing	(95,600)			
Lapsing	(1,145)			
<b>Subtotal</b>	<b>\$105,739,908</b>	<b>\$109,966,800</b>	<b>\$114,225,800</b>	<b>\$4,259,000</b>
<b>One-time funding</b>				
General Fund Restricted	398,000	690,000	200,000	(490,000)
<b>Total Revenues</b>	<b>\$106,137,908</b>	<b>\$110,656,800</b>	<b>\$114,425,800</b>	<b>\$3,769,000</b>
FTEs		834.9	838.9	4.0
<b>Expenditures</b>				
Personal Services	\$30,301,477	\$31,256,300	\$31,351,400	\$95,100
In-State Travel	142,805	147,600	150,800	3,200
Out-of-State Travel	43,230	42,700	42,700	
Current Expense	7,249,219	7,807,900	8,050,100	242,200
Data Proc. Current Exp.	1,240,785	979,500	954,500	(25,000)
DP Capital Outlay	6,999			
Capital Outlay	328,968	270,600	150,000	(120,600)
Pass Through Expense	66,824,425	70,152,200	73,726,300	3,574,100
<b>Total Expenditures</b>	<b>\$106,137,908</b>	<b>\$110,656,800</b>	<b>\$114,425,800</b>	<b>\$3,769,000</b>
<b>Programs</b>				
Administration	\$2,130,593	\$2,652,900	\$2,603,400	(\$49,500)
Service Delivery	8,210,794	8,878,500	9,056,600	178,100
Developmental Center	29,015,608	29,178,300	29,457,400	279,100
Residential Services	45,393,596	47,662,900	51,116,600	3,453,700
Day Services	10,403,564	9,823,500	9,778,100	(45,400)
Supported Employment	4,483,564	4,596,800	4,563,500	(33,300)
Outmovement				
Family Support	4,549,604	5,780,600	5,771,700	(8,900)
Personal Assistance	491,090	590,500	590,500	
Transportation	1,459,495	1,492,800	1,488,000	(4,800)
<b>Total</b>	<b>\$106,137,908</b>	<b>\$110,656,800</b>	<b>\$114,425,800</b>	<b>\$3,769,000</b>

## 2.0 Division of Services for People with Disabilities Budget Highlights

The Analyst's recommended FY 2000 budget includes budget increases totaling nearly \$3.8 million, mostly from federal funds and revenue transfers.

	General Fund	Total Funds
<b>Authorized FY 1999</b>	<b>\$35,810,800</b>	<b>\$110,656,800</b>
<b>Transfers, Adjustments, Reductions</b>		
Less one-time Disabilities Trust Fund FY 1999 funding	\$0	(\$690,000)
Transfer from DAAS	18,400	18,400
Rent reallocation - 2nd West	800	1,900
Other FY 2000 revised funding estimates (non-state funds)	0	(427,600)
<b>Building Blocks</b>		
ISF adjustments	76,900	281,700
One-time expenditures from Disabilities Trust Fund		200,000
Rental/lease increases	67,800	67,800
FMAP match rate change	0	0
Emergency placements		1,063,400
Waiting list		3,253,400
<b>Total Building Blocks and Adjustments</b>	<b>\$163,900</b>	<b>\$3,769,000</b>
<b>Total FY 2000. Budget Recommendations</b> (W/O Compensation Adjustment)	<b>\$35,974,700</b>	<b>\$114,425,800</b>

## 2.1 Transfers From the TANF "Rainy Day" Fund

The Analyst has referred to the Social Services Block Grant (SSBG) as a funding source for several building blocks in the Division. SSBG funds will not be used directly to fund these projects, but will be used to make available State funds that can be used to draw down additional federal funds. The Analyst has used these to increase funding for the waiting list and for emergency placements.

## 2.2 Waiting List

The Analyst has included \$3.2 million in new funding for FY 2000 to address the growing list of people with disabilities waiting for services. This includes \$1 million from State funds made available as TANF funds are transferred to the SSBG. Depending on the mix of service types, this will serve approximately 150 people, including 35 waiting for residential services.

## 2.3 Emergency Placements

The Analyst's recommended FY 2000 budget includes \$1.1 million for emergency community placements and services for individuals in crises situations. These situations arise when children who reach their teens become too challenging for their parents to care for, or the care giver becomes ill or dies. Depending on the mix of services, these funds would serve approximately 50 people in crises situations, including 13 in need of residential services.

**2.4 FMAP Match Rate Change**

The federal medical assistance percentage (FMAP) match rate for FY 2000 is changing from 71.98 percent to 71.61 percent. As a result, the State needs to assume a larger match to maintain the current federal funding level in the program. The Analyst recommends that \$345,200 be appropriated to make up this shortfall in various programs in the Division. Funding would come from Division State funds made available by transferring TANF funds to the SSBG.

**2.5 One-time Use of Trust Funds**

The 1995 Legislature created a Trust Fund for People with Disabilities consisting of proceeds from the sale or lease of lands and facilities at the Utah State Development Center. Last year, the Legislature restricted appropriations from this fund to interest earned and lease payments received. The Analyst is recommending one-time appropriations for FY 2000 in the amount of \$200,000. These funds would be used for improvements at the Developmental Center, for assistive technology equipment, and to supplement the Robert Woods Johnson grant for the Self-determination Project.

### **3.0 Division of Services for People with Disabilities**

The Division has statutory authority for providing community-based services and supports for people with disabilities through the Home and Community-Based Services Waiver and through state-funded programs. These services are delivered by private service providers under contractual agreement with the Division through its four regional offices.

The Division serves as the “gate keeper” for services for people with mental retardation and developmental disabilities (MR/DD). The Division operates the State Developmental Center in American Fork, Utah’s only state operated ICF/MR (Intermediate Care Facility for persons with Mental Retardation). It contracts with private providers for group and community-based services under the Medicaid Home and Community-based Services (HCBS) waiver. State funds are used for those who are not eligible for Medicaid waiver services. It also certifies eligibility for and approves services through private ICFs/MR providers. The ICF/MR system is operated under authority of the Utah Department of Health. In Fiscal Year 1998, the Division provided services for 3,556 people statewide, including 3,244 who received support in their homes or local communities and 262 at the Developmental Center. Another 554 people received services in privately operated ICFs/MR.

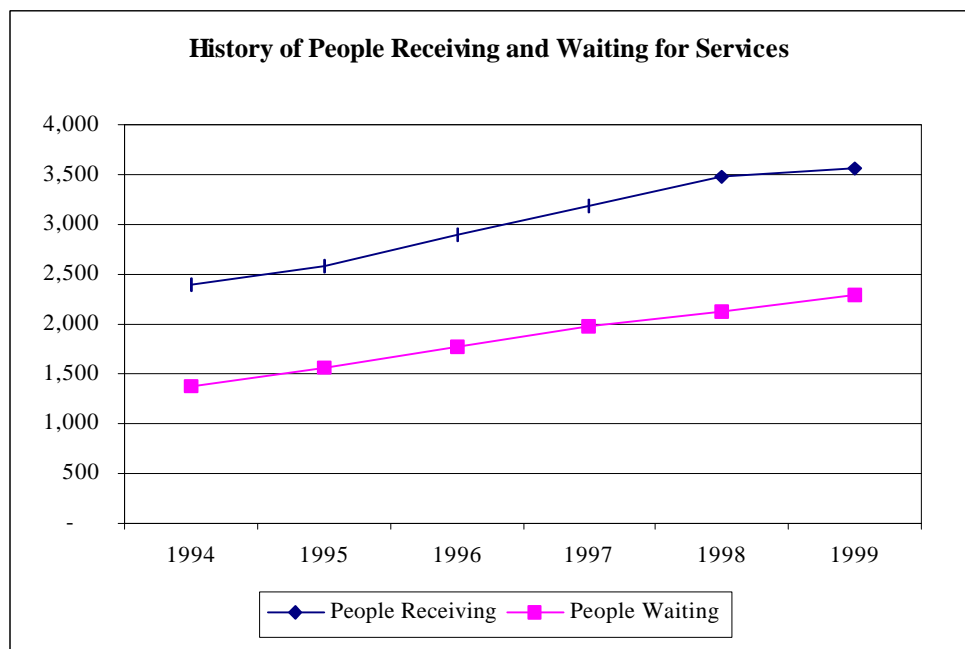
*Health Care Financing:* Utah’s Medicaid agency is the Division of Health Care Financing (HCF) in the Department of Health. This agency coordinates with DSPD in establishing service rates and client eligibility, in preparing revisions and renewals of Utah’s Home and Community-Based Services Waiver, and by processing billings and reimbursements of Medicaid dollars. It is also involved with compliance training and monitoring, and provides administrative oversight for private ICFs/MRs.

#### **3.0.1 Waiting List for Community-based Services**

Currently, there are more than 2,200 people on the waiting list for community-based services. These include 837 waiting for residential services, 973 for family support, 332 for supported employment, 251 for day training, and 65 for personal assistance services. Some individuals are waiting for more than one type of service. Of the people waiting for services, 1,837 are considered in “critical” or “immediate” need of services. Other individuals are on the list in anticipation of future needs.

The Legislature has attempted to reduce this list; however, it still grows. In the last two years, the Legislature appropriated \$4,964,600 in new funding (\$2,300,000 State Funds) to provide services for people on the waiting list. In addition, \$1,006,100 in new funding has been appropriated for emergency community placement needs (\$300,000 State Funds). The table below shows the growth in the number of people served and the number of people on the waiting list.

The State has opted to provide medicaid supported services for people with mental retardation and developmental disabilities (MR/DD). There are two optional programs that the State provides. One program consists of privately owned and operated Intermediate Care Facilities for people with Mental Retardation (ICF/MR). These institutions range in size from 15 beds to more than 80 beds. The Utah State Development Center in American Fork, with its current population of about 255 residents, is a State operated ICF/MR. The ICF/MR system is approximately 75% funded with medicaid. Although the program is an option for a state, if it chooses to provide the service, it is an entitlement to eligible individuals, meaning that there cannot be a waiting list for services. The current ICF/MR system is full and there is a state-imposed moratorium on the creation of new beds. However, due to turnover in residents, about 130 people were placed in private ICFs/MR in the last two years.



The State has also opted to provide a Home and Community-based System (HCBS) alternative to the ICF/MR system. The HCBS is composed of privately operated group homes and apartments located in communities throughout the State. This system is also approximately 75 percent funded by medicaid through its “waiver” program. It is not an entitlement to eligible people, but is available only as far as resources permit. Therefore, most states have waiting lists for services in the HCBS alternative system.

The HCBS is operated by the Division of Services for People with Disabilities (DSPD) in the State Department of Human Services. The ICF/MR system is operated by the Division of Health Care Finance (HCF) in the State Department of Health. DSPD determines eligibility for services in both systems and serves as “gatekeeper.”

Most states have waiting lists for services in the community HCBS. However, this

practice is under attack by advocates and their attorneys. Lawsuits have been filed in various states, including Florida, Georgia and Montana attacking state's waiting lists for services. In Florida, the court has determined that Florida must provide services to eligible clients in a "timely" manner, meaning within 90 days of eligibility determination. This refers to services in the ICF/MR system. In Georgia, the court is currently deliberating an issue brought about by the Americans with Disabilities Act (ADA). The suit claims that disabled individuals must have the option of being provided services in the least restrictive, in the most "normal" setting (community based). The outcome of the last issue could have severe impacts on all states with waiting lists for community-based services, including Utah.

Advocates for people with disabilities are supporting a three-year initiative to eliminate the waiting list. The first year of the plan would require about \$6 million in State funds. The Division of Services for People with Disabilities (DSPD) has a building block request for \$342,000 in State funds which would serve an additional 51 individuals.

The Analyst is recommending a total budget increase of nearly \$3.3 million, with \$1 million coming from State funds made available as TANF funds are transferred to the SSBG. Depending on the mix of services funded, this building block could serve 150 or more individuals. The Analyst has distributed funding for the various service categories (residential, day services, family support and transportation services) according to the Division's original budget request. However, the Legislature may want to review that distribution to possibly fund more nonresidential (less costly) type of services such as family support, day training and supported employment. If funding becomes available, the Analyst recommends that the Legislature consider additional funding for addressing the needs of people on the waiting list.

### **3.0.2 Emergency Services**

Each year, there are emergencies requiring immediate assistance from the Division. Crises arise when children grow older and become too large or too behaviorally difficult for their parents, when older parents can no longer physically care for their adult children, or when caretakers become ill or die. It also includes cases where individuals are committed to Division services by the courts. The Division requested \$342,000 in new state funds for addressing the needs of these crises situations. The Analyst has included \$300,000 in Division State funds made available by the transfer of TANF funds to the SSBG. This will draw down additional federal funds of \$763,400. The Analyst distributed these funds for various service categories (residential, day services, supported employment, and family support) based on the Division's original building block. The Analyst's recommendation would serve about 50 individuals, including 13 for residential placements. The actual number of people served will depend on the needs of the individuals as the crises occur.

### **3.0.3 FMAP Match Rate Change**

The federal medical assistance percentage (FMAP) match rate for FY 2000 is decreasing from 71.98 percent to 71.61 percent for FY 2000. This is due to an increase in the State's per capita income. As a result, the State needs to assume a larger match to maintain current program funding levels. The Analyst recommends that \$345,200 be appropriated to the Division of Service for People with Disabilities to make up this shortfall in various Division programs. Funding would come from

Division State funds made available by using SSBG (Social Services Block Grant) funds augmented by a transfer of TANF (Temporary Assistance for Needy Families) “rainy day” funds. This results in no overall authorized expenditure change.

### **3.0.4 Trust Fund for People with Disabilities**

In 1995, the Legislature created a Trust Fund for People with Disabilities (63A-5-220,UCA) consisting of proceeds from the sale or lease of lands and facilities at the Utah State Developmental Center (USDC) at American Fork. Last year, the Legislature restricted appropriation and use of these funds to interest earned on the fund, and lease and rental receipts. These funds may be used for programs described in Title 62A, Chapter 5, which is the DSPD section of the code. Expenditures may not be made unless they are first approved by the Board of Services for People with Disabilities.

The current balance of approximately \$965,000 came mainly from the sale of land to American Fork City in FY 1998. Funds also came from the sale of land to the LDS Church for a Seminary at the new American Fork High School and from a lease of facilities to Utah Valley State College. In FY 1998, the Division spent about \$398,000 from the fund, mostly on capital improvements at USDC. The Division is completing the sale of its Adventure and Learning Park to Highland City for \$1.4 million.

Last year, for FY 1999, the Legislature approved expenditures from this fund totaling \$690,000 for remodeling at the Development Center and for other program services. However, the Legislature also passed HB 251 which allowed only interest, leases and rental incomes to be spent from the Trust Fund. Therefore, most of these \$690,000 authorized expenditures will not be made by the Division. For FY 2000, the Division is seeking authorization to expend up to \$200,000 from the Trust Fund as shown below. The analyst concurs with this request. These expenditures come from interest earned and lease and rental income. The proposed expenditures are shown in their respective program categories in this report.

Remodeling (USDC)	\$ 50,000
Assistive Technology	50,000
Self-determination Project	<u>100,000</u>
<b>Total</b>	<b><u>\$200,000</u></b>

### **3.0.5 Legislative Intent Language**

The 1998 Legislature approved the following intent language applicable to the Division of Services for People with Disabilities:

*1) It is the intent of the Legislature that in renewing contracts with private providers the Division of Services for People with Disabilities shall consider prevailing labor market conditions.*

*2) It is the intent of the Legislature that rent collected from individuals who occupy state owned group homes be applied to the cost of maintaining these facilities. The Division of Services for People with Disabilities will provide an accounting of state owned group home rents and costs upon request from the Legislature or the Legislative Analyst.*

*3) It is the intent of the Legislature that the Departments of Health*



*and Human Services, and the Division of Employment Development in the Department of Workforce Services, and the State Office of Education work jointly through the regular budget process to present program budget overviews for services to people with disabilities and for services to the aging to be presented to the 1999 Health and Human Services Appropriations Subcommittee. These program budget overviews will include a discussion of the most appropriate and least costly funding options.*

Paragraph #1: The Division claims this is a continued consideration during contract negotiations with service providers. Market conditions are considered in the process of rate-setting by the Department. The Division negotiates contracts within the boundaries of the Department-approved rates for the services purchased.

Paragraph #2: The Analyst has reviewed the FY 1998 statement showing total rental receipts of \$141,174. After food charges and maintenance expenses are deducted, there is a net income of \$23,355. These funds are held by the private providers operating these homes for future major repairs of the facilities.

Paragraph #3: The Departments indicated worked during the interim to prepare this report and will present it during one of the regular subcommittee hearings.

### **3.1 DSPD Administration**

The State Administration Office provides development, quality assurance, general management, budget and fiscal oversight, and supervision of contracts with private and public service providers. It also oversees the Utah State Developmental Center at American Fork. The Office is responsible for developing policy recommendations for the Board of Services for People with Disabilities.

### 3.1.1 DSPD Administration Budget Recommendations

The recommended budget of \$2.6 million for FY 2000 reflects a transfer of \$18,400 of General Funds from the division of Aging and Adult Services (DAAS), a net increase of \$80,000 in expenditures from the Trust Fund, adjustments for rent at the Salt Lake City Department Headquarters and changes in user rates by the State's internal service funds.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$1,133,500	\$1,029,400	\$1,048,400	\$19,000
General Fund Restricted	9,000	70,000	150,000	80,000
Dedicated Credits	43,391	181,700	128,800	(52,900)
Revenue Transfers	939,719	1,276,200	1,276,200	0
Beginning Nonlapsing	5,000	95,600	0	(95,600)
Ending Nonlapsing	0	0	0	0
Lapsing	(17)			0
<b>Total Revenues</b>	<b>\$2,130,593</b>	<b>\$2,652,900</b>	<b>\$2,603,400</b>	<b>(\$49,500)</b>
FTEs		29.10	29.1	0.0
<b>FY 2000 Adjustments</b>				
One-time expenditures from Disabilities Trust Fund FY1999			(\$70,000)	
Transfer from DAAS			18,400	
Rent reallocation - 2nd West			1,900	
ISF adjustments			(600)	
Disabilities Trust Fund - One-time FY2000			150,000	
Other FY 2000 revised funding estimates (non-state funds)			(149,200)	
<b>Total Adjustments</b>			<b>(\$49,500)</b>	

### 3.1.2 Transfer From DAAS

This move of \$18,400 from the Division of Aging and Adult Services is for one-half of a training position that has previously been split between DSPD and DAAS. The staff member is now spending all her time training DSPD personnel.

### 3.1.3 Trust Fund Expenditures

For FY 2000, the Analyst recommends appropriating \$150,000 from the Trust Fund for People with Disabilities in this program. The recommendation includes \$100,000 to augment funds from the Robert Wood Johnson Foundation to implement the Utah Self-determination Project. This project is intended to give recipients of DSPD services a larger role in determining their own treatment and service needs. Another \$50,000 from the Trust Fund will be used for assistive technology equipment for DSPD clients.

### 3.2 Service Delivery

The Division is divided into four regions for service delivery. The same regional structure is used by several divisions in the Department. The regional service delivery staff is the point of entry for people seeking services from the Division and provides case management for service recipients. The regions contract for services with local private providers, and oversee and evaluate the quality of service delivered. The regions also maintain waiting lists of people requesting services.

### 3.2.1 Service Delivery

The Analyst recommends that \$9.1 million, including \$5.6 million from the General

**Budget  
Recommendations**

Fund, be appropriated for the Service Delivery Program for FY 2000. This amount includes reductions in Trust Fund expenditures and some minor reductions in estimated non-state revenues. The Analyst included additional funding for increased rates charged by the State's internal service funds and for increased rent and lease space costs in various offices around the State. The Analyst also included funding for four additional staff workers needed to handle the additional case loads expected in FY 2000 from waiting list funding.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$4,646,200	\$5,511,100	\$5,598,600	\$87,500
General Fund Restricted	1,000	100,000		(100,000)
Fed Funds (SSBG Trnsf)	0	0	158,100	158,100
Revenue Transfers	3,518,639	3,267,400	3,299,900	32,500
Beginning Nonlapsing	45,000			
Ending Nonlapsing				
Lapsing	(45)			
<b>Total Revenues</b>	<b>\$8,210,794</b>	<b>\$8,878,500</b>	<b>\$9,056,600</b>	<b>\$178,100</b>
FTEs		161.80	165.8	4.00
<b>FY 2000 Adjustments</b>				
DSPD Trust Fund: One-time appropriation			(\$100,000)	
Other FY00 revised funding estimates (non-state funds)			(29,600)	
ISF adjustments			31,200	
Rental/lease increases			67,800	
FMAP match rate change			0	
Waiting list -staff			208,700	
<b>Total Adjustments</b>			<b>\$178,100</b>	

**3.3 Utah State  
Developmental Center**

The Utah State Developmental Center (USDC), formerly known as the Utah State Training School, is an Intermediate Care Facility (for persons who have) Mental Retardation (ICF/MR). The Center provides 24-hour residential services and active treatment services. Specialized services include medical and dental services; physical, occupational, speech, and recreation therapy; psychological services; social work; and day training.

The Developmental Center has seen a steady decrease in residents since 1986. There has been a movement for a number of years to place people with mental retardation in community settings less restrictive than typical institutions. The Lisa P. settlement significantly contributed to this out movement. The population at the USDC has decreased from about 700 in 1986 to approximately 255 today. Those with more severe retardation and with a need for the most intensive health and behavior support tend to remain at the institution. In some cases, it is difficult to find appropriate arrangements in a community setting in the area they want to live.

### 3.3.1 USDC Budget Recommendation

The Analyst recommends a budget of nearly \$29.5 million for the Developmental Center for FY 2000, including \$6.7 million from the General Fund. This includes an increase of \$251,100 (\$57,400 General Fund) for increased rates charged by the State's internal service funds. The Analyst also included funding to replace federal funds that would be lost due to the change in the FMAP match rate. Funding is from Division State funds made available by transferring TANF funds to the SSBG. The recommended budget also includes \$50,000 from the Trust Fund to be used at the Developmental Center for remodeling projects.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$6,544,900	\$6,666,000	\$6,723,400	\$57,400
General Fund Restricted	388,000	0	50,000	50,000
Fed Funds (SSBG Trnsf)	0	0	100,800	100,800
Dedicated Credits	1,309,062	1,550,000	1,563,300	13,300
Revenue Transfers	20,636,907	20,962,300	21,019,900	57,600
Beginning Nonlapsing	144,700	0	0	0
Ending Nonlapsing	(7,900)	0	0	0
Lapse	(62)			0
<b>Total Revenues</b>	<b>\$29,015,607</b>	<b>\$29,178,300</b>	<b>\$29,457,400</b>	<b>\$279,100</b>
FTEs		644.0	644.0	0.0
<b>FY 2000 Adjustments</b>				
Other FY00 revised funding estimates (non-state funds)			(\$22,000)	
ISF adjustments			251,100	
Disabilities Trust Fund - One-time			50,000	
FMAP match rate change			0	
<b>Total Adjustments</b>			<b>\$279,100</b>	

### 3.3.2 FMAP Match Rate Change

The federal medical assistance percentage (FMAP) match rate change for FY 2000 will impact the Developmental Center by \$108,000. The Analyst recommends that these funds be replaced by State funds made available by using SSBG funds augmented by a transfer of TANF "rainy day" funds.

### 3.4 Residential Services

There are five basic models for community-based residential programs funded by the Division:

\*1. *Supported living arrangements*: Consumers live independently in apartments and receive periodic assistance and training with money management, personal health care, and other skills necessary for independent living.

\*2. *Supervised apartments*: Consumers live in apartments for two or three people. Apartment supervisors are available to provide whatever assistance may be needed.

\*3. *Professional parent homes*: These are family homes in which one or two children with disabilities live with 24-hour support in a very intensive therapeutic family arrangement. The families are supported by trainers and consultants and also receive respite care.

\*4. *Host homes*: These are provided for people who turn 18 years of age who have been living in professional parent homes and wish to continue to live in that family home. The professional parent assumes more of a peer role and the individual works with the trainer in the acquisition of skills that allow independence as an adult. The person may receive support and/or supervision up to 18 hours per day.

\*5. *Group homes*: These are the oldest models of community residential living. Although up to eight people may live in a group home, most homes are shared by five or fewer people. In most cases, the group home staff works shifts to provide support throughout the time consumers are at home (typically, 17 to 18 hours, but up to 24-hours). Training and assistance is provided to meet the needs identified in individual program plans.

Federal Medicaid reimbursement is available for program and treatment costs, but not for housing costs. Residents are responsible for room and board payments. This has become a problem where increasing rents have made it impossible for residents to cover the rent payments with their Supplemental Security Income payments or earnings from employment. The State makes available a limited rent subsidy program. Most of the residential settings are partly funded under the Medicaid Home and Community-Based Services (HCBS) Waiver.

### 3.4.1 Residential Services Budget Recommendation

The Analyst's recommended budget for residential services for FY 2000 totals \$49.9 million, including \$14.2 million from the General Fund. This includes approximately \$2.9 million in new funds for people on the residential waiting list and for emergency community placements. The FY 2000 recommendation is reduced because of a one-time appropriation from the Trust Fund of \$520,000 included in last year's budget. There are also revised estimates for FY 2000 of non-state revenue sources.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$12,953,800	\$14,237,300	\$14,237,300	\$0
General Fund Restricted		520,000		(520,000)
Federal Funds	1,158,850	907,000	862,400	(44,600)
Fed Funds (SSBG Trnsf)			978,700	978,700
Revenue Transfers	31,281,042	31,998,600	33,836,100	1,837,500
Lapse	(96)			
<b>Total Revenues</b>	<b>\$45,393,596</b>	<b>\$47,662,900</b>	<b>\$49,914,500</b>	<b>\$2,251,600</b>
FTEs		0.0	0.0	0.0
<b>FY 2000 Adjustments</b>				
Reduce FY 1999 one-time Trust Fund Expenditures			(\$520,000)	
Other FY00 revised funding estimates (non-state funds)			(134,400)	
Emergency placements			773,500	
Waiting list			2,132,500	
FMAP match rate change			0	
<b>Total Adjustments</b>			<b>\$2,251,600</b>	

### 3.4.2 Residential Services: Waiting List

The Analyst's recommendation includes \$2,132,500 for services for people on the DSPD waiting list for community based residential services. The recommendation includes \$605,300 in Division State funds made available from using SSBG funds augmented by a transfer from the TANF "rainy day" fund. This would serve about 35 individuals at an annual average cost of \$59,500. If funding becomes available, the Analyst recommends that the Legislature consider additional funding for reducing the number of people on the waiting list.

### 3.4.3 Residential Services: Emergency Community Placements

The Analyst's recommendation includes \$773,500 for residential services for people in emergency situations. This will fund 13 individuals at an average cost of \$59,500. The recommendation includes \$217,900 in Division state funds made available from using SSBG funds augmented by a transfer from the TANF "rainy day" fund.

### 3.4.4 FMAP Match Rate Change

The federal medical assistance percentage (FMAP) match rate change for FY 2000 will impact the Residential Services budget by \$155,500. The Analyst recommends that these funds be replaced by State funds made available by using SSBG funds augmented by a transfer of TANF "rainy day" funds.

### 3.5 Day Services

Day Service programs take place in the community or in workshops and are designed to maintain skills in post-school years and provide work opportunities as well as supported retirement opportunities.

*\*Day programs* are designed to promote the ongoing development and maintenance of skills. The services may be provided in a variety of settings, including natural workplace settings throughout the community or at sheltered sites. Many participants in these programs receive federal funding through the Medicaid program. Care must be taken that the goals and objectives for each individual are not directed at teaching specific job skills as Medicaid will not pay for vocational training. The average daily cost for day services range from \$27 to \$71.

*\*Supported retirement* is designed for people who are age 55 or older or whose health prevents their continued participation in employment or day training. This program utilizes Senior Citizen Centers, Adult Day Centers, and other community programs that provide a variety of activities for seniors.

#### 3.5.1 Day Services Budget Recommendation

The recommended FY 2000 budget totals \$10.8 million, including \$2.9 million from the General Fund. The recommendation includes funds for the waiting list (\$860,000), emergency placements (\$130,000), and \$32,700 for the FMAP match rate change. These program increases are funded in part with Division state funds freed up by using SSBG funds augmented by a transfer of TANF “rainy day” funds.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$4,096,900	\$2,872,800	\$2,872,800	\$0
Federal Funds	326,500	626,400	599,000	(27,400)
Fed Funds (SSBG Trnsf)	0		313,700	313,700
Revenue Transfers	6,006,957	6,324,300	6,982,600	658,300
Beginning Nonlapsing	0			0
Ending Nonlapsing	(26,700)			0
Lapse	(93)			0
<b>Total Revenues</b>	<b>\$10,403,564</b>	<b>\$9,823,500</b>	<b>\$10,768,100</b>	<b>\$944,600</b>
FTEs		0.0	0.0	0.0
<b>FY 2000 Adjustments</b>				
Other FY00 revised funding estimates (non-state funds)			(\$45,400)	
Emergency placements			130,000	
Waiting list			860,000	
FMAP match rate change			0	
<b>Total Adjustments</b>			<b>\$944,600</b>	

### 3.5.2 Day Services Waiting List

The Analyst's recommended \$860,000 increase for day services for people on the waiting list includes \$244,200 from Division State funds made available by using SSBG funds. The increase would serve 86 individuals at an average annual cost of \$10,000.

### 3.5.3 Emergency Services

The Analyst's recommended \$130,000 increase for emergency services includes \$36,800 from Division state funds available from using SSBG funds. The budget increase would serve 13 individuals at an average annual cost of \$10,000.

### 3.5.4 FMAP Match Rate Change

The Federal Medical Assistance Percentage (FMAP) match rate change for FY 2000 will impact the Day Services budget by \$32,700. The Analyst recommends that these funds be replaced by state funds made available by using SSBG funds augmented by a transfer of TANF "rainy day" funds. There would be no overall expenditure change.

### 3.6 Supported Employment

Supported employment programs place people with disabilities in jobs in regular work environments. A job coach is assigned to each person to provide training on the job and to help solve problems that may arise. As the person becomes better able to do the work, the time spent with the job coach decreases. Over time, the cost of maintaining a person with disabilities in supported work decreases and will sometimes end. The cost of supported employment is approximately \$29 per job coach hour. For most individuals who enter this service, the Office of Rehabilitative Services fund the first 150 hours of training and the Division of Services for People with Disabilities provides the ongoing funding.

#### 3.6.1 Supported Employment Budget Recommendation

The Analyst recommends \$4.7 million (\$1.7 million General Fund) for the Supported Employment budget for FY 2000. This includes an increase of \$89,700 for emergency placements in the program (with \$25,400 from SSBG funds). This will serve 13 individuals at an annual average cost of \$6,900. The recommendation also includes \$12,800 for the FMAP match rate change (also funded from SSBG funds) which will not increase overall expenditures but just replace lost federal funds.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$2,069,000	\$1,740,900	\$1,740,900	\$0
Federal Funds	850,500	557,600	531,000	(26,600)
Fed Funds (SSBG Transfer)			38,200	38,200
Revenue Transfers	1,564,065	2,298,300	2,343,100	44,800
<b>Total Revenues</b>	<b>\$4,483,565</b>	<b>\$4,596,800</b>	<b>\$4,653,200</b>	<b>\$56,400</b>
FTEs		0.0	0.0	0.0
<b>FY 2000 Adjustments</b>				
Other FY00 revised funding estimates (non-state funds)			(\$33,300)	
Emergency placements			89,700	
FMAP match rate change			0	
<b>Total Adjustments</b>			<b>\$56,400</b>	



### **3.7 Out movement**

This term refers to residents at the Utah State Development Center (USDC) who have been targeted for movement from the Center to a community-based setting. In 1989 the Division was sued by a resident of the Developmental Center for failure to provide services in the least restrictive environment for persons who wished to leave the Developmental Center (*Lisa P. v. Angus*). In the 1993 settlement of the lawsuit, the State agreed, among other things, to evaluate all residents at the USDC for best placement, either in the community or at the USDC. All persons recommended for outplacement are to be placed in that setting within two years of evaluation.

All individuals have now been evaluated. Of the total of 121 people identified for out placement, 44 are still awaiting placement. Of these, 36 have been waiting for more than two years. Some placements have been delayed because the program team and the guardians have not reached agreement regarding placement. As required by the settlement agreement, placement decisions for these individuals have been under review by an independent evaluator. Also, in some cases, there is a lack of appropriate community settings in some areas of the State.

In previous years, DSPD had a budget program entitled “Out movement,” which funded the transition of individuals from the USDC to Home and Community-based services. The Division estimated the number of persons that would be transferred to community settings in the coming year and transfer \$59,000 from the USDC budget to the “Out movement” budget for each person. Then, during the year, as individuals were placed, funds would be transferred from “Out movement” to the applicable residential services budget. At year end, the Division would do a reconciliation and transfer back to the USDC budget any unspent funds.

The Division has decided to simplify the accounting process and eliminate the “Out movement” program budget. As individuals are transferred out, funds will simply be transferred from the USDC budget to the appropriate residential services budget. The Analyst concurs with this program change.

### **3.8 Family Support**

The Family Support Program provides services to families that enable them to care for their children with disabilities at home. These services are provided through contract provider agencies or by staff hired directly by parents. The individualized nature of the program does not allow for fixed rates or allocations of funding. The average expenditure for a family is about \$4,200 per year. Last year, the Division reassessed all family support recipients in order to standardize the needs assessment process and to equalize allowances between individuals and families with similar needs. Savings generated through this assessment process were used to serve new people from the family support waiting list.

### 3.8.1 Family Support Budget Recommendation

The FY 2000 recommended budget for Family Support totals \$5.8 million, including \$2.7 million from the General Fund. This includes an increase of \$70,200 for emergency placements in the program (with \$19,900 from SSBG funds). This will serve 13 individuals at an annual average cost of \$5,400. The recommendation also includes \$16,800 for the FMAP match rate change (funded from SSBG funds) which will not increase overall expenditures.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$2,098,000	\$2,651,700	\$2,651,700	\$0
Fed Funds (SSBG Transfer)			36,700	36,700
Revenue Transfers	2,512,825	3,128,900	3,153,500	24,600
Beginning Nonlapsing				
Ending Nonlapsing	(61,000)			
Lapse	(221)			
<b>Total Revenues</b>	<b>\$4,549,604</b>	<b>\$5,780,600</b>	<b>\$5,841,900</b>	<b>\$61,300</b>
FTEs		0.0	0.0	0.0
<b>FY 2000 Adjustments</b>				
Other FY00 revised funding estimates (non-state funds)			(\$8,900)	
Emergency placements			70,200	
FMAP match rate change			0	
<b>Total Adjustments</b>			<b>\$61,300</b>	

### 3.9 Personal Assistance

The Personal Assistance Services Program provides monthly grants between \$200 and \$1,500 to people with severe physical disabilities who can live independently with the aid of a personal attendant. The grants are based on the level of care required by the person. The person is responsible for the hiring, supervising and paying the attendant. Last year, the Division of Services for People with Disabilities and the Division of Health Care Financing developed a Personal Assistance Waiver in order to secure matching Medicaid funds to serve more people in this program.

#### 3.9.1 Personal Assistance Budget Recommendation

The Analyst recommends no changes in the Personal Assistance budget for FY 2000.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$462,000	\$560,800	\$560,800	\$0
Revenue Transfers	29,700	29,700	29,700	
Lapse	(610)			
<b>Total Revenues</b>	<b>\$491,090</b>	<b>\$590,500</b>	<b>\$590,500</b>	<b>\$0</b>
FTEs		0.0	0.0	0.0

### 3.10 Transportation Services

The transportation program helps people with disabilities in getting from their homes to day programs, jobs, and other activities. The need for assistance with the means or cost of transporting people is one of the most frequently mentioned issues when public hearings are held on services for people with disabilities. This is especially true in the rural areas of the state. More than 850 people receive transportation services regularly.

#### 3.10.1 Transportation Services Budget Recommendation

The Analyst recommends an appropriation of \$1.5 million (\$540,800 General Fund) for Transportation Services for FY 2000. This includes an increase of \$52,200 for transportation services for people on the waiting list (with \$14,800 from SSBG funds). This will serve 29 individuals at an annual average cost of \$1,800. The recommendation also includes \$4,100 for the FMAP match rate change (also from SSBG funds), which will not increase overall expenditures but replace a decrease of federal funds.

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 00 - 99</b>
<b>Funding Source</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$523,200	\$540,800	\$540,800	\$0
Federal Funds	73,800	45,500	43,300	(2,200)
Fed Funds (SSBG Transfer)			18,900	18,900
Revenue Transfers	862,495	906,500	937,200	30,700
<b>Total Revenues</b>	<b>\$1,459,495</b>	<b>\$1,492,800</b>	<b>\$1,540,200</b>	<b>\$47,400</b>
FTEs		0.0	0.0	0.0
<b>FY 2000 Adjustments</b>				
Other FY00 revised funding estimates (non-state funds)			(\$4,800)	
Waiting list			52,200	
FMAP match rate change			0	
<b>Total Adjustments</b>			<b>\$47,400</b>	

## 4.0 Tables

### 4.1 Funding History

	<b>FY 1994</b>	<b>FY 1995</b>	<b>FY 1996</b>	<b>FY 1997</b>	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>
<b>Funding</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>
General Fund	\$21,494,400	\$24,097,200	\$27,818,900	\$31,772,200	\$34,527,500	\$35,810,800	\$35,974,700
G. F. Restricted					398,000	690,000	200,000
Federal Funds	2,588,400	2,892,500	2,525,600	2,542,900	2,409,650	2,136,500	3,680,900
Dedicated Credits	1,438,200	1,527,900	1,968,000	1,641,400	1,352,453	1,731,700	1,692,100
Transfers	47,103,800	48,290,000	53,856,800	61,197,900	67,352,350	70,192,200	72,878,100
Beginning Nonlapsing		515,900	225,500	18,700	194,700	95,600	0
Ending Nonlapsing	(515,900)	(225,500)	(18,700)	(194,700)	(95,600)	0	0
Lapse			(100)		(1,145)		0
<b>Totals</b>	<b>\$72,108,900</b>	<b>\$77,098,000</b>	<b>\$86,376,000</b>	<b>\$96,978,400</b>	<b>\$106,137,908</b>	<b>\$110,656,800</b>	<b>\$114,425,800</b>
<b>FTEs</b>	937.4	844.5	841.3	841.3	841.4	834.9	838.9
<b>Programs</b>							
Administration	\$1,843,900	\$1,856,300	\$2,299,000	\$2,414,400	\$2,130,593	\$2,652,900	\$2,603,400
Service Delivery	5,735,100	6,145,600	6,691,400	7,554,700	8,210,794	8,878,500	9,056,600
Development Center	27,605,200	27,566,500	28,392,300	27,912,900	29,015,608	29,178,300	29,457,400
Residential Services	24,713,500	28,152,100	32,932,000	39,771,800	45,393,596	47,662,900	51,116,600
Day Services	10,047,400	11,106,400	12,647,200	9,385,400	10,403,564	9,823,500	9,778,100
Supported Employment				4,362,100	4,483,564	4,596,800	4,563,500
Out Movement							0
Family Support	1,853,400	1,931,500	2,972,900	3,814,700	4,549,604	5,780,600	5,771,700
Personal Assistance	310,400	339,600	441,200	466,800	491,090	590,500	590,500
Transportation				1,295,600	1,459,495	1,492,800	1,488,000
<b>Totals</b>	<b>\$72,108,900</b>	<b>\$77,098,000</b>	<b>\$86,376,000</b>	<b>\$96,978,400</b>	<b>\$106,137,908</b>	<b>\$110,656,800</b>	<b>\$114,425,800</b>
Percent Change		6.92%	12.03%	12.27%	9.44%	4.26%	3.41%

**4.2 Federal Funds**

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>
	<b>Actual</b>	<b>Authorized</b>	<b>Analyst</b>
Social Services Block Grant	\$2,409,650	\$2,136,500	\$3,680,900
<b>Total</b>	<b>\$2,409,650</b>	<b>\$2,136,500</b>	<b>\$3,680,900</b>
<i>No State match required.</i>			